

To: Charter LEA leaders

From: Jennie Niles, Deputy Mayor for Education
Hanseul Kang, State Superintendent of Education

CC: Scott Pearson, Executive Director of the DC Public Charter School Board

Date: September 25, 2017

Re: **Washington Teacher's Union Contract and Impact on Charter LEA Funding**

We are writing to share with you information regarding the [tentative Washington Teacher's Union \(WTU\) Contract](#) and its impact on Charter LEA funding. The contract was approved by the Washington Teacher's Union on Friday, September 8th and will go to the City Council for approval during a legislative meeting as early as October 3rd. Upon approval by City Council it will go to the Mayor for signature.

After ten years of education reform in Washington, DC, graduation and achievement rates are up and education continues to be a top priority for the Bowser Administration. Most recently, we advanced the largest education budget in the city's history and our commitment to ensuring access to high-quality education options for our families doesn't stop there. That's why we did something unprecedented – we included additional funding for our charter schools as a result of the tentative WTU contract, because we are committed to ensuring the success of both sectors on behalf of all of our students.

If the tentative agreement is approved, the District of Columbia will provide additional funding to both DC Public Schools (DCPS) and DC Public Charter Schools (DC PCS) through an increase in the Uniform per Student Funding Formula (UPSFF) and in FY 18 this results in a 5.9% increase above the original FY 17 per pupil. Additional funding to DCPS will cover the increased salary and benefit expenses associated with the contract. The source of this additional funding, for both DCPS and DC PCS, comes from increased revenue estimates that the city expects to generate over the next few years.

FY17 (School year 2016-17) funding:

The WTU contract is backdated to October 1, 2016, which means that both sectors will receive additional funding for FY17 (school year 2016-17) through an increase in the FY17 UPSFF rate. **The FY17 base rate will increase to \$9,885 (an additional increase of \$203 above the FY17 base rate of \$9,682).**

All public charter schools will receive an additional one-time payment to reflect this increase to the FY17 UPSFF base rate. The payment will be calculated based on the final enrollment audit

count, supplemental payments, and extended school year (ESY) funding. In aggregate, charter schools will see an increase of approximately \$13.1 million in FY17 funding.

FY18 (School year 2017-18) funding:

The FY18 UPSFF base rate will increase to \$10,257 (an additional increase of \$285 above the FY18 base rate of \$9,972. DC PCS will receive this additional funding through the upcoming regular quarterly payments, supplemental payments, and ESY payments. In aggregate, charter schools will see an increase of approximately \$19.1 million in FY18 funding.

Future funding:

Based on the Office of the Chief Financial Officer's Fiscal Impact Statement, in order to fund the WTU contract in future years, school funding will increase according to the following table.

Fiscal Year	FY17	FY18	FY19	FY20	FY21
School Year	SY16-17	SY17-18	SY18-19	SY19-20	SY20-21
UPSFF Base Rate	\$9,682*	\$10,257	\$10,447	\$10,624	\$10,805
Year over year % increase	-	5.9%	1.9%	1.7%	1.7%

**Original Mayor's Budget submission (base rate)*

The increases for FY19-FY20 in the above table are in relation to the WTU contract only, and are not the final UPSFF rates. The final UPSFF rates for these fiscal years will be determined during the city's annual budget process.

Please do not hesitate to contact Deputy Mayor Jennie Niles at Jennifer.Niles@dc.gov, State Superintendent Hanseul Kang at Hanseul.Kang@dc.gov, or OSSE Special Assistant for Budget and Finance Ryan Aurori at Ryan.Aurori@dc.gov with any questions you may have concerning this announcement.

